

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF COMMUNITY AFFAIRS**

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**CDBG****Community Development Block Grant Program****MANAGEMENT MEMORANDUM****Memorandum Number 02-06****TO: All CDBG Grantees, Eligible Jurisdictions, and Interested Parties****DATE: April 2, 2002****SUBJECT: Updates to the 2001 CDBG Grant Management Manual:**

- **Chapter 3 Environmental Review Requirements**
- **Program Income Reports (part of Chapter 10, Reporting)**
- **Chapter 14 Program Income**

Purpose of this memo: To forward a copy of the chapters and documents which have been updated to provide clarifications and address changes and/or corrections to the 2001 CDBG Grants Management Manual. You may replace the sections in Chapters 3, 10, and 14, of your copy of the manual. **Note that a new and much simpler Quarterly Program Income Report is included in the Chapter 10 changes, and you must use this report beginning with the January 1 through March 31 reporting period, due April 30, 2002.** Significant updates are highlighted below:

Chapter 3, Environmental Review Requirements

- Page 3-7 clarifies the environmental review requirement for Housing Rehabilitation activities when units are to be reconstructed.
- A typographical error on page 3-10 was corrected to reflect the correct number of days required for the public comment period.
- The Environmental Documentation Chart has been updated to reflect procedures specific to the type of activity.
- The 8-Step Decision Process Chart for projects affected by the floodplain corrects an error affecting rehabilitation projects. Rehabilitation of a unit for repair and/or improvements at a cost of 50% or more of the pre-rehab structure value, or a greater than 20% unit density increase, DOES require this process be done.
- The Environmental Finding Form has been updated to reflect documents to be included specific to the type of activity.

- The Statutory Worksheet included in this chapter has been superseded by the document included here.

Program Income Reports (part of Chapter 10, Reporting)

- Please remove and replace this portion of Chapter 10 from your Grant Management Manual, and **begin using the revised Quarterly Program Income Report immediately – next due April 30, 2002.** Please also note that we have re-introduced and revised the Annual Program Income Report that will take the place of the Quarterly Program Income Report for the fourth quarter (April 1 through June 30).
- An example of a completed Quarterly Program Income Report and a completed Annual Program Income Report are also included in this transmittal.

Chapter 14, Program Income and Revolving Loan Accounts

- This chapter has been updated for clarifications, and includes a revised Sample Program Income Reuse Plan that provides more flexibility, and the new program income reporting requirements.